



CONVENTION CENTER PARKING FACILITY

PROPOSITION N

Declaration of Policy: Shall the Board of Supervisors approve the financing by means of a lease from the parking authority of the City and County of San Francisco of a parking facility consisting of not more than 800 parking stalls, together with all works, property and structures incidental thereto, all to be located within the vicinity of the George R. Moscone Convention Center?

Analysis

By Ballot Simplification Committee

THE WAY IT IS NOW: In the past, public parking garages have been financed by bonds issued by non-profit organizations. Such financing of public garages requires approval of the voters.

THE PROPOSAL: Proposition N is a policy statement that asks the voters if the city should finance a garage by means of a lease from the Parking Authority. This garage would be built near the George R. Moscone Convention Center and would contain no more than 800 stalls.

A YES VOTE MEANS: If you vote yes, you want the Board of Supervisors to approve a lease of a garage, which would be built by the Parking Authority near the George R. Moscone Convention Center.

A NO VOTE MEANS: If you vote no, you do not want the Board of Supervisors to approve the lease of a garage near the George R. Moscone Convention Center from the Parking Authority.

Controller's Statement on "N"

City Controller John C. Farrell has issued the following statement on the fiscal impact of Proposition N:

"Should the proposed Declaration of Policy be approved, in my opinion, there would be no increase or decrease in the cost of government. However, assuming a lease was entered into between the Parking Authority and the City and County, and lease-revenue bonds were issued by the Parking Authority, the City and County would make annual rental payments sufficient to repay the bond interest and redemption of the lease-revenue bonds. It is estimated that the total cost of the Parking Authority bond issue will be approximately \$15,979,000, (Bond redemption approximately \$7,600,000 and Bond interest approximately

\$8,379,000). This would require an annual lease payment of approximately \$652,000 at current interest rates estimated to be 7% per annum.

"Payment of this rental is expected to be derived from garage operations and any other sums of money legally available. Projections indicate that the break-even point will be reached in eight years. This could require a contribution over the eight years of approximately \$2,700,000.

"Over the twenty five year life of the bonds, the total receipts are estimated to approximate \$39,000,000 and the total expenses are estimated to be approximately \$32,000,000, a net gain of \$7,000,000 return to the City and County of San Francisco."

How Supervisors Voted on "N"

On August 13, 1979 the Board of Supervisors voted 8-0 on the question of placing Proposition N on the ballot. The Supervisors voted as follows:

YES: Supervisors John Molinari (District 3), Ella Hill Hutch (District 4), Harry Britt (District 5), Robert

Gonzales (District 7), Don Horanzy (District 8), Lee Dolson (District 9), Quentin Kopp (District 10), Ron Pelosi (District 11).

None of the Supervisors present voted "No."